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## COMMUNITY & ECONOMIC DEVELOPMENT OFFICE

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Date: August 27, 2010

To: Burlington Board of Finance

Cc: Kirsten Merriman Shapiro, Special Projects Manager, CEDO

Richard Haesler, Assistant City Attorney

From: Larry Kupferman, CEDO Director

Re: Moran Center Project Development Services Contract Amendment

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CEDO is requesting Board of Finance's support of a resolution to extend through February 1, 2011 the contract with White + Burke Real Estate Investment Advisors. The amendment will continue David G. White's consulting services for the Moran project. We are requesting that the maximum limiting amount of the contract be increased by \$71,500 but we are not asking for an appropriation for these activities; rather, we are simply requesting authorization to extend and amend the existing contract using BEDI and Section 108 funds.

White + Burke principal, David G. White has been providing the City with invaluable assistance in negotiating with the tenants, structuring the redevelopment deal and permitting. However, White + Burke has reached the maximum allowable amount of the contract authorized by the city council in March of 2010. That contract also includes the services of several subcontractors, including New Markets Tax Credits consultant Steve Weems, and permitting consultant VHB Pioneer.

Amending the contract by \$71,500 would increase the maximum limiting amount to \$215,500. We are continuing to request incremental increases so as to keep the Board of Finance and City Council fully involved with this project. The funding for the contract extension will come from existing sources, including CDBG funds, the City's Capital Fund, the BEDI grant and Section 108 Loan.

The Moran project continues to enjoy significant progress—particularly in regards to environmental remediation, architectural and engineering design services, permitting and in securing funds for the City's share of the project.

We are requesting the support of the Board of Finance on this matter, before bringing it to the full city council on September 13, 2010. A draft resolution is attached.



**Councilors:**

**AUTHORIZATION TO AMEND CONTRACT FOR DEVELOPMENT SERVICES FOR THE MORAN REDEVELOPMENT PROJECT**

**In the year Two Thousand Ten.....**

Resolved by the City Council of the City of Burlington, as follows:

That WHEREAS, the proposal is to convert the Moran Generating Station into a multi use facility that appeals to a wide range of users, that is publicly owned and provides public benefits but it also be market driven, complimenting and enhancing the local economy and tax base, and;

WHEREAS, the Citizen's of Burlington strongly supported the following question on the March 2008 ballot:

"Shall the City of Burlington be advised to move forward on the proposal to renovate and redevelop the Moran Plant to include an indoor ice and rock climbing facility; children's museum; outdoor ice skating rink; splash water park; public park; cafe and restaurant; new skateboard park; observation deck and the retention of the Community Sailing Center, with the understanding that voters will have an opportunity in the future to approve any financing that would alter individual property tax rates?

WHEREAS, the City of Burlington is responsible for developing and maintaining all public infrastructure and facilities necessary for the continued success and development of it's downtown, including the waterfront; and

WHEREAS, Burlington will be economically strengthened through continued public improvements and private investments to public infrastructure and facilities; and

WHEREAS, it is in the interest of the City to retain control and dominion over the Moran Plant and waterfront and that it act a developer for this prominent economic development project; and

WHEREAS, the Board of Finance authorized White + Burke Real Estate Investment Advisors to continue providing development consulting services for the Moran project and;

WHEREAS, the services provided by White + Burke Real Estate Investment Advisors has been and will continue to be invaluable to the City in terms of developing the financing plan with the city staff, negotiating with the tenants, structuring the redevelopment deal and permitting; and

WHEREAS, it is CEDO's intent to request small incremental increase at this time so as to keep the Board of Finance and City Council involved with this project; and

WHEREAS, the funding for the contract extension will come from CDBG funds, the city's Capital Fund, the BEDI grant and Section 108 Loan; and

NOW, THEREFORE, BE IT RESOLVED that, Mayor Bob Kiss is authorized to amend the contract with White + Burke Real Estate Investment Advisors to continue providing development services for the entire Moran redevelopment in the amount of \$71,500, increasing the maximum limiting amount to \$215,500 subject to the review and approval of by the City Attorney.

BE IT FURTHER RESOLVED that the City Council hereby expresses intent that these expenditures may be reimbursed from the proceeds of subsequent debt financing for the Moran Redevelopment.

DRAFT